

EARLY RETURNS SHOW POPULARITY OF ELECTRONIC FILING

WASHINGTON -- The popularity of filing tax returns electronically -- or e-filing -- climbed dramatically in the early days of this tax season. Through February 6, more than 8.3 million of the 14.3 million returns filed -- nearly 60 percent -- arrived at the Internal Revenue Service by either phone or computer.

Although most e-filed returns still come through tax professionals, individual participation in e-filing options shows the greatest percentage growth. E-filing from a personal computer has nearly tripled from the same period last year, from 41,000 to 115,000 returns. The use of TeleFile, the file-by-phone system, is up 25 percent, from 2 million to 2.5 million returns.

In 1997, the IRS had 19.2 million e-filed returns: 14.5 million by computer -- 367,000 of them from individual computer users -- and 4.7 million TeleFile returns.

E-filing gives taxpayers the advantages of faster refunds (half the time of paper returns), greater accuracy (reducing the chance of an error letter from the IRS), and an acknowledgment that the IRS has accepted the return.

The IRS has processed over \$14 billion in refunds, compared with \$13 billion at the same time last year. The average refund -- \$1643 -- is three percent higher than last year's.

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1998 FILING SEASON STATISTICS

Cumulative through the week ending 2/7/97 and 2/6/98

	<u>1997</u>	<u>1998</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	15,486,000	14,262,000	- 7.9
Total Processed	9,107,000	9,662,000	6.1
E-filing -- Total Receipts:			
Standard E-file	5,426,000	5,862,000	8.0
TeleFile	1,982,000	2,481,000	25.2
Refunds Certified by the Martinsburg Computing Center:			
Number	8,338,000	8,888,000	6.6
Amount of principal	\$13.271 billion	\$14.603 billion	10.0
Average refund	\$1592	\$1643	3.2